Issue Price of Wheat and Rice

3293. SHRI AHMED MOHMEDBHAI PATEL: Will the Minister of FOOD be pleased to state:

(a) whether any revision has been made in the issue prices of wheat and rice during the last three years;

(b) how far the revision helped in reducing food subsidy; and

(c) what are the steps taken for the better management of buffer stocks of foodgrains and to reduce the economic cost of handling foodgrains?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): (a) The issue prices were revised as under:—

(Rs. per qtl.)

Effective from	Central Issue price	Rice		
	Wheat	Common	Fine	Superfine
28.12.91	280	377	437	458
11.1.93	330	437	497	518
1.2.94	402	537	617	648
1.10.94	—	597	677	708

(b) Central issue prices fixed by the Government do not fully cover the economic cost to FCI of procurement and distribution of foodgrains. Food subsidy paid/released to FCI during the past five years is as under:—

(Rs. in crores)

Year	Amount of subsidy paid	
1990-91	2142	(excluding Rs. 308 crores on sugar)
1991-92	2850	
1992-93	2785	(excluding Rs. 15 crores on sugar)
1993-94	5537	
1994-95 (BE)	4000	

(c) Continuous efforts are being made by FCI in this regard, such as protecting and safe storage of stocks, adopting a systematic policy of liquidating CAP storage, issuing old stocks; undertaking open sale of wheat and rice; reducing the incidence of transit and storage shortages; maximum utilisation of godown capacity, etc.

Production of Sugar

3294. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE: SHRI RAJUBHAI A. PARMAR: SHRIMATI VEENA VERMA:

Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that sugar production during May and June, 1994 fell further;

(b) if so, what was the actual production during these months and how it compared with that during the preceding two months and that during the corresponding months in 1993 and 1992; and

(c) what steps were taken by Government to boost up production of sugar?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI):

(a) and (b) The sugar production in the months of March, April, May and June during the sugar seasons 1991-92, 1992-93 and 1993-94 was as under:—

(Figures in lakh tonnes)

Sugar Season	Sugar production during the month of			
(Oct.-Sept.)	March	April	May	June
1993-94 (Provisional)	15.23	6.39	1.40	0.52
1992-93 (Provisional)	19.89	10.43	1.91	0.18
1991-92	22.64	17.76	9.67	3.63

(c) The measures taken/initiated by the Government considering the need to boost sugar production during 1993-94 sugar season are as under:—

(i) Early—crushing incentives were announced in the form of higher freesale quota at 72%, as against the normal entitlement of 60%, to sugar mills for the production achieved during the period 1-10-1993 to 15-11-1993.

(ii) Mid-crushing incentives were announced in the form of higher freesale quota at 80%, as against the normal entitlement of 60%, to sugar mills for the additional/incremental production to be achieved during the period 1-1-1994 to 30-4-1994 over the production during the same period in 1992-93 season.

(iii) Late-crushing incentives were announced in the form of higher freesale quota at 72%, as against the normal entitlement of 60%, to sugar mills for the production to be achieved during the period 1-5-1994 to 31-7-1994.

(iv) Incentives have been announced in the form of higher free sale quota at 100 percent, as against normal 60 percent, to sugar mills for the additional/ incremental production to be achieved during the period 1-8-1994 to 30-9-1994 over the production during the same period in 1992-93 season.

(v) State Governments have been requested to ensure prompt clearance of cane price dues to the farmers by the sugar factories.

(vi) The loan component for grant of Sugar Development Fund assistance for KT Weirs and lift irrigation schemes has been enhanced from 66.6% to 90% of the project cost.

(vii) The Statutory Minimum Price (SMP) for sugarcane for 1993-94 season has been announced at Rs. 34.50, per quintal linked to a basic recovery of 8.5% as against Rs. 31/-per quintal for 1992-93 season. An advance announcement of SMP for 1994-95 season has also been made at Rs. 37/- per quintal linked to a basic recovery of 8.5%.

(viii) The incentive scheme for new sugar factories and expansion projects has been suitably revised.

(ix) State Governments have been requested to consider various measures to contain diversion of cane to Gur and Khandsari Units.

Subsidy on Sugar

3295. SHRI SATISH PRADHAN: Will the Minister of FOOD be pleased to state: (a) the total quantum of unported sugar to be released through Public Distribution System (PDS), State-wise;

(b) whether its distribution will be on subsidized basis; if so, the quantum of subsidy and the total amount which Government will have to absorb; and

(c) how long Government expect to subsidise sugar through P.D.S.?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): (a) A statement showing the allocation of imported sugar as levy sugar for the months of September, 1994 and October, 1994 is given at statement (*see* below). State-wise allocations of imported sugar from the month of November, 1994 onwards are yet to be made.

(b) and (c) It is proposed to subsidise the sale of imported sugar for the Public Distribution System (PDS) so that it can be distributed at a uniform retail price of Rs. 9.05 per kg. throughout the country. The total subsidy on imported sugar would depend upon the quantity of imported sugar to be taken over for distribution through the Public Distribution System. Imports are still continuing . There is no subsidy given by the Government on distribution of indigenous sugar through Public Distribution System.

Statement

Statewise Allocation of Imported Sugar During September and October, 1994 for Distribution Under P.D.S.

(Figures In MTs.)

State/Union Territory	Allocation of Imported Sugar	
	September, 1994	October, 1994
Punjab	9276.6	9309.9
Haryana	4000.0	8325.5
Rajasthan	5000.0	19547.3
Uttar Pradesh	—	61083.0
Madhya Pradesh	—	28862.9
Maharashtra	—	25520.8
Chandigarh	447.2	462.1
Himachal Pradesh	—	2551.4
Andhra Pradesh	—	29091.2
Karnataka	5000.0	20470.3
Tamil nadu	—	25950.9
Kerala	5000.0	11958.7
Food Corporation of India*	71276.2	—
Total	100000.0	242934.0

* Further allocation to direct allottee States will be finalised by FCI.